

STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P. O. BOX 942850
Sacramento, CA 94250-5878

DATE: November 19, 2010

PERSONNEL LETTER #10-028
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Crowe, Chief
Personnel/Payroll Services Division

RE: **NEW RETIREMENT ACCOUNT CODES FOR RANK AND FILE EMPLOYEES IN BARGAINING UNITS 1, 3, 4, 11, 14, 15, 17, 20 AND 21**

The Department of Personnel Administration (DPA) announced in Personnel Management Liaison Memo 2010-030 dated November 10, 2010 that all rank and file employees in bargaining units 1, 3, 4, 11, 14, 15, 17, 20 and 21 are subject to a 3% retirement contribution increase effective November 2, 2010. Further, rank and file employees in these units first employed with the State on or after January 15, 2011 (i.e., no prior State service) are subject to higher employee retirement contributions and new benefit formulas based on their highest average salary during a 36-month consecutive period. New retirement account codes will be provided for newly hired employees in these units in a subsequent Personnel Letter. The on-line IDLS and Paycheck calculators have been updated to reflect the new retirement contribution rates.

RETIREMENT RATE CHANGES

Retirement rates for rank and file employees in units 1, 3, 4, 11, 14, 15, 17, 20 and 21 were changed to the new rates listed below. The retirement rate changes were accomplished via an employment history mass update of 505 transactions with an effective date of November 2, 2010. The chart below reflects the new account codes and new contribution rates from the employment history mass update.

Retirement Category	Old Account Code	New Account Code	New Rate	Benefit Formula	Final Compensation
Miscellaneous	40	2K	9%	2% @ 55	1 year
	42	2V	9%	2% @ 55	1 year
	45	2M	8%	2% @ 55	1 year
	4L	2R	8%	2% @ 55	3 years
Industrial	46	9T	9%	2% @ 55	1 year
	48	9V	9%	2% @ 55	1 year
	49	9N	8%	2% @ 55	1 year
	9C	9W	8%	2% @ 55	3 years
Safety	10	1H	9%	2% @ 55	1 year
	12	1J	9%	2% @ 55	1 year
	19	1P	9%	2.5% @ 55	1 year
	30	1R	9%	2.5% @ 55	1 year
	6P	1S	9%	2.5% @ 55	3 years
	6R	1T	9%	2.5% @ 55	3 years

Retirement Category	Old Account Code	New Account Code	New Rate	Benefit Formula	Final Compensation
ARP	TJ	AP	8%	2% @ 55	3 years
	TK	AQ	8%	2% @ 55	1 year
	TP	AR	8%	2% @ 55	1 year
	TS	AS	8%	2% @ 55	3 years

The EH automated mass update occurred on November 9, 2010 to post 505 transactions. Turnaround PARs (TAD) were issued from the update process and released on a flow basis. Some employees were not included in the automated mass update and are being manually processed by PPSD. Employees excluded from the mass update include those with an EH record reflecting an out-of-sequence status (i.e., the effective date on the most current transaction was after 11/2/2010). TAD PARs will be issued once the EH record is updated. Records updated after the November 2010 master payroll cutoff date of November 18, 2010 will result in the establishment of retirement arrears deductions. Every effort is being made to complete the manual updates in time for the November 2010 master payrolls.

CONTACTS

For PAR documentation assistance, contact SCO's Personnel Liaison Unit at (916) 322-6500. For questions regarding CalPERS eligibility and benefits, contact CalPERS at (888) 225-7377. For retirement policy and legislation information, contact Desi Rodrigues, DPA, at (916) 324-9400.

Revisions to the Payroll Procedures Manual and Personnel Action Manual are forthcoming.

LC:PMAB:DW